GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

CAF & CS Department – Decentralized Procurement – Policy for KMS 2018-19 issued - Furnishing bank guarantee by the millers of East Godavari, West Godavari and Krishna districts for the paddy handed over for CMR in 1.5:1 ratio to the value of paddy – Orders – Regarding.

CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CSI) DEPARTMENT

G.O.MS.No. 9 Dated: 27-05-2019

Read the following:

1. G.O.Ms.No.20, CA,F & CS(CS.I) Dept., Dt:12.09.2018.
2. G.O.Ms.No.23, CAF & CS (CS.I) Dept., Dt: 01-10-2018.
3. Minutes of the meeting held by the Commissioner of Civil Supplies and Ex. Officio Secretary to Government with Joint Collectors, DSOs and DMs on 16.05.2019.

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O R D E R:

In the G.O. 1st read above, orders have been issued prescribing procurement policy and operational guidelines for procurement of paddy and Custom Milled Rice during KMS 2018-19.

2. Among the guidelines one of the conditions prescribed for allotment of paddy procured by the A.P. State Civil Supplies Corporation Limited for custom milling and delivery of CMR by the rice millers is, furnishing bank guarantee @ 1:1.5 ratio to the value of paddy given to the millers for milling and delivery of CMR. The validity period of the bank guarantee shall be minimum 9 to 12 months.

3. During the meeting held by the Government on 18.09.2018 with the President, A.P.Rice Millers Association, and Presidents / Representatives of the District Rice Millers Associations to discuss the procurement policy and other related issues, the Rice Millers' Associations have represented that they cannot afford to incur huge amounts as bank commission to the banks to furnish bank guarantee @ 1:1.5 to the paddy value and requested to consider allowing them to furnish the bank guarantee @ 1:1 ratio to the paddy value as was permitted in the previous years. Accordingly, orders were issued in the reference 2nd read above.

4. A meeting was called by the Commissioner of Civil Supplies and E.O. Secretary to Government, Vijayawada with Joint Collectors, District Supply Officers and District Managers of A.P. State Civil Supplies Corporation Ltd., on 16-05-2019. The main agenda of the meeting is procurement and MSP to the farmers in their produce. The problems of space constrains, FCI not liquidating the rice stocks thereby paddy accumulated in the rice mills causing disruption in further procurement of paddy from the farmers, are being reported. Therefore, the Joint Collectors are requested to raise the field level problems faced by them in the districts. Accordingly they have raised several issues and one among them is to overcome the situation to enter into the portal they requested for enhancement of Bank Guarantee from the present 1:1 to 1:5. After hearing from the Joint Collectors, District Supply Officers and District Managers of A.P. State Civil Supplies Corporation Limited., in the meeting, it was decided that the extension of Bank Guarantee on paddy handed over to Millers by 1 ½ times.

(P.T.O)

5. After careful examination of the entire matter and in partial relaxation of orders issued in the G.O., 2nd read above, Government hereby permit the Rice Millers in East Godavari, West Godavari and Krishna districts to furnish bank guarantee @ 1.5:1 ratio equivalent to the paddy value for allotment of Govt. paddy for custom milling and delivery of CMR during RMS 2018-19 instead of 1:1, as a special case, since these districts are accounting for 80% the paddy purchases in the State.

6. The VC & Managing Director, A.P. State Civil Supplies Corporation Limited, and all Collectors are requested to take further action accordingly by taking 2 other rice milers as Co-guarantors and ensuring countersignature of the District Rice Millers Association.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

D.VARA PRASAD
E.O. SECRETARY TO GOVERNMENT

To,
The Commissioner of Civil Supplies, A.P., Vijayawada.
The VC & Managing Director, A.P. State Civil Supplies Corporation Limited, Vijayawada.
The Collectors and District Magistrates of East Godavari, West Godavari and Krishna Districts.
The General Manager (A.P.), Food Corporation of India, Hyderabad.
The Chief Executive Officer, SERP.
The Joint Collectors / The District Supply Officers of East Godavari, West Godavari and Krishna Districts.
The Commissioner for Cooperation and Registrar of Cooperative Societies, A.P.,
Copy to:
The Secretary to Govt. of India, Min. of Consumer Affairs, Food & Public Distribution, Dept., of Food & Public Distribution, Krishi Bhavan, New Delhi.
The Director General, Vigilance and Enforcement Dept, A.P.
The Principal Secretary to Govt., Revenue(CT), Dept, A.P.
The Principal Secretary to Govt., Agrl. & Cooperation, A.P.
The Special Chief Secretary to Government, Agriculture, Mktg& Coop.Dept.,
The Managing Director, A.P. State Warehousing Corpn. Ltd, Hyderabad.
The Regional Manager, Central Warehousing Corporation, Vijayawada.
The Commissioner, Commercial Taxes Dept., A.P., Vijayawada.
The Commissioner & Director of Marketing, A.P., Guntur.
The Commissioner & Director of Agriculture, A.P., Guntur.
The Commissioner, Transport, A.P. The Commissioner, I & PR, A.P.,
The President, Rice Millers Association, A.P.
The President, DRMA, EG/WG/RMWA, Krishna district
SF/ spare

// FORWARDED BY ORDER //

SECTION OFFICER